



**Serviced
Apartment**
News

THE SERVICED APARTMENT DIGITAL BENCHMARK REPORT 2016

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In 2016, no serviced apartment operator can afford to be without a digital marketing strategy, supported by the requisite tools, to deal with an ever-evolving consumer landscape that includes not only multiple channels, but multiple devices and social networks.”

Welcome

The digital world has transformed the global travel industry. Whilst the number of retail travel outlets has fallen dramatically (by over half in the US according to CNN), digital now dominates.

The shift doesn't appear to have done the sector any harm either. Annual growth of 3.8% over the next 10 years could make the global travel industry four times bigger than the entire UK economy.

A number of underlying trends are driving the growth of digital. We live in an experience-based economy where consumers are prioritising personal experience over material goods. What better 'experience' than travel?

The explosion in the number of social networks has created an entire digital eco-system. According to www.socialtimes.com not only are 52% of consumers' travel decisions influenced by social media, many forums, password-protected sites and blogs are accessible only via social media and apps.

Shared experiences are the lifeblood of the digital travel eco-verse. According to Tnooz, 95% of leisure travellers read seven or more reviews before they book. TripAdvisor says that 92% of UK travellers regard reviews as "essential" when booking a holiday. The role of the recommendation in business travel decisions is no less important.

Personalisation is another travel 'mega-trend'. 2016's consumer demands trips tailor-made to his or her personal needs and tastes, and the proliferation of data available to travel providers is enabling this demand to be met.

Content is king. It is predicted that 88% of all marketing will be content within a few years, as advertising, telemarketing and other conventional marketing activities coalesce to create an impenetrable wall of noise. Interesting and relevant content – ideally delivered by video – will always engage. Syndacast predicts that, by 2017, 74% of all internet traffic will be video-driven.

This may be slightly ambitious but no-one can afford to ignore video or mobile marketing. Mobile has certainly arrived. It is impossible to go anywhere without encountering people engrossed in their phones or tablets and seemingly oblivious of their surroundings. 77% of Americans even take their phones to the bathroom! As you will read in this report, no serviced apartment brand can afford to ignore mobile.

Wearable technology, or the 'internet of things' (IoT), will soon be with us. Providing travel brands with an additional channel through which to engage with customers and prospects. Marketo says that 51% of the world's top marketers expect IoT to revolutionise the marketing landscape by 2020.

Each of these trends is explored in this 2nd edition of our Digital Benchmark Report, produced in association with Travel Intelligence Network and ReviewPro, and sponsored by Avvio.

By looking at how the serviced apartment sector is embracing the opportunities afforded by the digital world, the report's contents will hopefully help to share best practice and to shape thinking amongst serviced apartment marketers.

I hope you enjoy reading it and welcome your comments.

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If your brand would like to sponsor the Serviced Apartment News series of industry reports, or are interested in commissioning a more detailed focus on a specific aspect within the sector, please contact info@servicedapartmentnews.com to discuss.



Methodology

If the first edition of this report set out to paint a picture of serviced apartment brands' adoption of digital marketing, this 2nd edition explores how those brands are using digital channels, and social media in particular.

The research for this report was carried out between April and August 2016. It therefore represents a snapshot-in-time of serviced apartment brands' digital marketing strategies.

The number of serviced apartment brands analysed in this report has been expanded, taking in a number of the hybrid operator/agents unique to this sector. In all, we have surveyed 58 brands.

Wherever possible we have compared each brand's social media reach by individual social networks, and also benchmarked their online reputations. However we haven't included an analysis of website functionality or loyalty marketing in this edition as we plan to revisit these criteria in our 2017 edition.

It has not proven possible to assess every brand against each of the criteria benchmarked. This was due in part to the overlap in inventory promoted by operators and specialist agents, and partly because some (albeit fewer than a year ago) of the brands surveyed have adopted a property-specific rather than centralised social media strategy. In other words, with each property having its own Facebook page or Twitter feed. This has made it impractical to aggregate the figures for every location.

The benchmarking of serviced apartment brands based on their online reputation was again carried out in conjunction with ReviewPro, leaders in Guest Intelligence solutions for the hospitality industry.

ReviewPro aggregated just under 485,000 online guest reviews published during the 12-month period from 1st September 2015 to 31st August 2016. The data used was based on reviews from Online Travel Agencies (OTAs) and review sites.

The analysis was driven by the GRI™, an industry-standard online reputation score available exclusively to ReviewPro clients, which is used by thousands of hotels worldwide as a benchmark for reputation management efforts.

We have also looked at what best practice in social media management looks like.

We interviewed marketers at 10 serviced apartment brands of varying scales and size to find out how they approach social media as part of the marketing mix, and why.

Much has changed in the 12 months since the first Digital Benchmark Report. Although the degree of digital marketing undertaken by competing brands still varies, more are now embracing the opportunities for engagement that digital provides. As their understanding grows, their reluctance to invest in digital marketing recedes.

It will be fascinating to see how far the serviced apartment sector will have travelled in another 12 months' time.

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List of charts, sources & acknowledgements

The interviews with leading serviced apartment marketers, and some of the desk research for this report were undertaken by Basetsana Pilar and Zubair Ali from the University of Coventry and by Adam Harris of Sheffield Hallam University.

Additional sources

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Disclaimer

Every effort has been made to ensure that the data contained in this report was accurate as at 1st October 2016. However neither Serviced Apartment News nor Travel Intelligence Network accepts any responsibility for any inaccuracies contained herein.

Brands surveyed

In last year's first edition of this Digital Benchmark Report only serviced apartment operators were surveyed. For this second edition, we have widened our search to include some of the leading hybrid operator/agents, in addition to new and emerging operator brands.

In all, this report has examined the digital marketing presence of over 50 serviced apartment brands

Fig. 1 Serviced apartment brands surveyed.

Brand	Status (i.e. operator, agent, operator/agent)	Website	Parent	Locations served	Regions served						
					Africa	Asia	Australasia	Europe	Latam	Middle East	North America
Adagio Aparthotels/ Adagio Access	Operator	adagio-city.com	Accor	100		Y		Y	Y	Y	
Adina Apartments	Operator	tfehotels.com	Toga Far East Hotels	28			Y	Y			
AKA	Operator	stayaka.com	Korman Communities	12				Y			Y
Apple Apartments	Operator/Agent	appleapartments.co.uk	N/A	8				Y			Y
Ascott The Residence	Operator	the-ascott.com	The Ascott	41		Y		Y		Y	
ATA Hotels	Operator	atahotels.it	N/A	4				Y			
BridgeStreet Global Hospitality	Operator	bridgestreet.com	BridgeStreet Global Hospitality	u/k	Y	Y	Y	Y	Y	Y	Y
Candlewood Suites	Operator	ihg.com/candlewood/hotels	IHG	341	Y	Y	Y	Y	Y	Y	Y
Capri	Operator	capribyfraser.com	Fraser Hospitality	8		Y	Y	Y		Y	
Cheval Residences	Operator	chevalresidences.com	Cheval	6				Y			
Citadines	Operator	citadines.com	The Ascott	77		Y	Y	Y		Y	
Citybase	Agent	citybaseapartments.com	Citybase	545	Y	Y	Y	Y	Y	Y	Y
Clarendon	Operator	clarendonlondon.com	N/A	22				Y			
Crossland Economy Studios	Operator	crosslandstudios.com	Extended Stay Hotels	28							Y
Derag Living Hotels	Operator	deraghotels.de	N/A	17				Y			
Extended Stay America	Operator	extendedstayamerica.com	Extended Stay Hotels	630							Y
Flying Butler	Operator	flying-butler-serviced-apartments.com	N/A	19				Y			
Fraser Place	Operator	frasershospitality.com	Fraser Hospitality	16		Y	Y	Y			
Fraser Residence	Operator	frasershospitality.com	Fraser Hospitality	5		Y	Y	Y		Y	
Fraser Suites	Operator	frasershospitality.com	Fraser Hospitality	29	Y	Y	Y	Y		Y	
Go Native	Operator/Agent	gonative.com	Go Native	u/k				Y			Y
Halidis	Operator	haldis.com	Windows on Europe	10				Y			
Homewood by Hilton	Operator	homewoodsuites3.hilton.com	Hilton	479					Y		Y
House of Fisher	Operator/Agent	stayhof.com	TA Fisher	7				Y			
Intown Suites	Operator	IntownSuites.com	Starwood Capital	189							Y
Jumeirah Living	Operator	jumeirah.com	Jumeirah Group	2				Y		Y	
Lamington	Operator	lamingtonuk.com	N/A	3				Y			
Marlin Apartments	Operator	marlinapartments.com	N/A	6				Y			
Marriott Executive Apartments	Operator	marriott.co.uk/executive-apartments	Marriott	25		Y		Y	Y	Y	
Mercure Apartments	Operator	grandmercureapartments.com	Accor	58	Y	Y	Y	Y	Y		
Modena Residence	Operator	modenabyfraser.com	Fraser Hospitality	5	Y	Y	Y			Y	
Nomad	Operator	nomadtemphousing.com	N/A	u/k					Y		Y
Oakwood Worldwide	Operator	oakwood.com	Oakwood	2,000	Y	Y		Y	Y	Y	Y
Park & Suites	Operator	parkandsuites.com	N/A	55				Y			
Protea Hotels	Operator	proteahotels.com	Marriott	29	Y						

Brands surveyed - continued

Quest Apartment Hotels	Operator	questapartments.com	Quest Apartment Hotels	159			Y				
Residence Inn	Operator	residenceinn.marriott.com	Marriott	698				Y	Y	Y	Y
Residhome Aparthotel	Operator	residhome.com	N/A	65				Y			
ResidHotel	Operator	residhotel.com	N/A	11				Y			
Roomzzz	Operator	roomzzz.com	N/A	5				Y			
SACO	Operator/Agent	sacoapartments.com	SACO	220	Y	Y	Y	Y			
Silverdoor	Agent	silverdoor.co.uk	Silverdoor	545	Y	Y	Y	Y	Y	Y	Y
Skyline Worldwide	Agent	liveskyline.com	Skyline Worldwide	190	Y	Y	Y	Y	Y		Y
Smart City	Operator	smartcityapartments.com	N/A	7				Y			
Somerset	Operator	somerset.com	The Ascott	69		Y	Y			Y	
Staybridge Suites	Operator	ihg.com/staybridge/hotels	IHG	220		Y		Y	Y	Y	Y
Staycity	Operator	staycity.com	Staycity	8				Y			
Suite Novotel	Operator	suitenovotel.com	Accor	33	Y			Y		Y	
The Apartment Service/ Roomspace	Operator/Agent	roomspace.com	The Apartment Service	6 (Roomspace)				Y			
The Sebel	Operator	thesebel.com	Accor	16			Y				
Towne Place Suites	Operator	marriott.com/towneplace-suites	Marriott	231							Y
Vision Apartments	Operator/Agent	visionapartments.com	N/A	u/k				Y			
Waterwalk	Operator	waterwalk.com	N/A	1							Y
Yays	Operator	yays.com	Short Stay Group	3				Y			
Zoku	Operator	livezoku.com	N/A	1				Y			

Please note all figures were correct as at 1st September 2016

Introduction - digital marketing for hospitality

Digital marketing for hotels is increasingly complex as the number of channels through which to engage with business and leisure guests expands.

Whether the job title is marketing or distribution, sales or guest experience the skillset required to manage the various online and traditional channels is expanding too. Little wonder that a new wave of expertise, systems and processes is required to meet that challenge.

In 2016, no hotel or serviced apartment can afford to do without a digital marketing strategy, supported by the requisite tools, to deal with an ever-evolving consumer landscape that includes not only multiple channels, but multiple devices and social networks.

Today, serviced apartment and hotel operators have to provide a consistent multi-channel experience to hotel guests and prepare themselves for future digital marketing demands. The required elements are diverse, but heading the list of priorities are the brand's website and booking engine; social media; OTAs and mobile.

Mobile in travel

Previously heralded as ‘the next big thing’, mobile has certainly arrived, accounting for 27% of global travel bookings in Q1 of 2016 (source: Criteo), excluding those generated from apps, which could drive mobile’s overall market share up even further.

The UK is ranked #4 amongst the countries to which mobile-booked travel is taking place. The list is headed by Japan (36%), followed by Australia (32%) and the US (29%).

Accommodation is the most popular travel product booked via mobile. 33% of mobile travel bookings in the second half of 2015 were for accommodation, up from 5% on the first half of the year. Year-on-year growth in mobile for hotels reached 12.8% in 2016, compared to 12.5% for OTAs and 5.4% for cruise brands.

Fig. 2 Share of mobile bookings for select countries (Q1 2016)

1. Japan	36%
2. Australia	32%
3. USA	29%
4. UK	28%
5. Italy	26%
6. Netherlands	23%
7. Brazil	23%
8. Germany	15%

Source: Criteo

Smartphones are driving mobile’s rapidly growing market share. 81% of hotels booked by mobile are made using smartphones, compared to just 19% for tablets. Of the 40% of mobile bookings for hotel OTAs, 32% come from smartphones.

In the US, 52% of all travel bookings are made entirely or partly via mobile, highlighting the number of touchpoints which now influence travel decisions. No wonder that travel brands now find fully-optimised mobile environments to be an essential element of distribution.

The hotel industry is pouring millions into its mobile offerings as part of an over-arching strategy to drive direct bookings. As a result, literally hundreds of apps are being created. The clever bit is getting users to download them. According to Nielsen, the average smartphone user has 27 apps on their phone, a small proportion of which are travel-related. Apps that make it onto the smartphone and stay there are both useful and relevant, offering connection with the brand, convenience and personalised experience for the user.

Mobile is inherently personal, so the individuality of the serviced apartment or hotel has to be reflected within the mobile app through imagery, recommendations and reviews; personalised promotions and offers, with booking and billing integrated into a single, seamless experience.

Website marketing

TripAdvisor.com and Booking.com are the two most-visited travel websites in the world, but compared to other, non-travel sites, our sector still has a long way to go. TripAdvisor.com is ranked 170th and Booking.com 77th in global rankings that now combine mobile and desktop traffic.

In the first edition of this report we examined the performance and functionality of the world’s leading serviced apartment brands. In this edition we focus on what those brands are doing to drive traffic to their websites, at what cost, and for what purpose.

As we all know, there’s no better way of discouraging a potential customer than by showcasing your product through a bad website. If the website is cluttered, complicated and therefore not easy to use, the consumer will draw the same conclusions about your product.

However the role of the website in the hospitality sector is changing. 12 months ago we highlighted the trend for guests to compare accommodation products using brand websites before booking through an OTA. Then it was up to the hotel or serviced apartment operator to woo the customer to their brand website for future bookings.

The process is now a little different. Marriott's decision to incentivise consumers to book direct may have infuriated the business travel world by cutting across corporate travel policies, traveller tracking procedures and preferred supplier programmes; it has also spawned a new phenomenon.

Hilton's 'Stop clicking around' campaign is the biggest mounted in the company's history. Hyatt, Choice and others may have eschewed the ad spend but have followed Marriott's lead in offering discounts in return for direct bookings. The knock-on effect has seen consumers reversing their previous habits by browsing OTAs before seeking out the branded sites to book.

2016's consumer uses OTAs as the starting point for research across brands, but turns to the branded site especially if there's a problem. The consumer visits Expedia, Hotels.com, Booking.com and the branded websites, referring to TripAdvisor if it's a first-time stay. Most will book direct if a better rate is available. How much lasting impact this will have is currently unknown, but 2016's consumer is using OTA's as the starting point for research across brands, turning to the branded site, especially if there's a query or problem.

In 2015, 57 billion HHonors Points went unearned because guests booked their stay through a third party. Since launching its campaign, Hilton has seen a significant increase in direct bookings, a huge surge in HHonors member enrollment, website traffic and mobile app downloads.

OTAs and driving traffic to your branded website

The OTAs spend big to drive traffic to their sites. On average, Expedia and the others invest \$67,250 a day on Google alone. That makes PPC (Pay Per Click) big business, especially with OTAs and branded hotel and serviced apartment sites competing for consumers' attention.

The result is that the cost of customer acquisition has gone through the roof. OTAs are bidding against hotels in ad auctions – and paying to rank concurrently or higher than hotel brands.

Despite the efforts of Hilton & co to persuade consumers to book direct, there is no sign of the OTA channel drying up. They enable revenue managers to offload un-sold inventory, trial promotions and stimulate occupancy quickly. However hotel and serviced apartment operators now prioritise other digital media over OTAs for cost, customer reach, coverage and self-management of content.

Frank Reeves is CEO of Avvio. Founded in 2002, the company's mission is to help serviced apartments and hotels to grow revenues from their direct sales channels. The business works with 450 clients in UK and Ireland.

Reeves is surprised that, whilst all Avvio clients are adopters of digital marketing, not all serviced apartments are yet embracing the medium. *"The non-adopters tend to be those who don't have a strong web strategy. They probably rely on corporate business, don't have a sales force and are distributing via the OTAs because they don't feel they can compete with them."*

Cost is another factor. Serviced apartments and hotels paid 40% more in Q1 of 2016 for paid-for keyword searches than they did in the same period in 2015. *"It's all about how much traffic you can afford to buy"* says Reeves. *"Many can't afford to distribute under their own brand name. It costs 70 cents per click for a direct link from Trivago to a branded web site. Based on an average 1% conversion rate it is cheaper for them to go via the OTAs."*

Reeves also points out that OTAs suffer far greater cancellation rates than branded sites, ranging up to 40% compared to less than 10% for direct bookings. He also dispels any myths that hotels cannot easily persuade customers booking through OTAs to go direct in future. *"Booking.com tell us the chance a customer will book your hotel twice through booking.com is less than 1%."*

PPC vs Metasearch

Then there's the comparison between search engine PPC and the metasearch model deployed by the likes of Trivago and TripAdvisor. The former equates to a commission of 8 – 10%; the latter 9 – 12%.

Avvio's approach to driving direct revenues involves replacing outdated serviced apartment booking engines with the Avvio converter platform. The resulting higher conversion rate creates the budget for digital marketing to drive more inbound leads.

Reeves also highlights the fact that mobile is now reaching 60/70% of web traffic and that serviced apartments operators and hotels are considering opening up their websites to user-generated content as evidence of multiple touch-points in which customers can discover a brand.

With Google launching a new mobile programming language for websites and growing consumer demand for personalisation, the process is increasingly a 1-2-1 conversation. *"If you were on the site yesterday we need to remember you"* says Reeves.

"It's all about what it costs to get the customer to the website and how we can convert that to a booking. Every visit is an opportunity to do or say something different. The website might look different to people coming from different countries or to those with different needs. They can't be static. Operators need to learn from each digital conversation."

Common mistakes

Too many serviced apartment operators don't understand the link between digital marketing and booking conversion says Frank Reeves.

"It is only partly true that the OTAs have the budgets to buy all the traffic. There's also a skills gap amongst revenue managers, who should really be digital marketers, so we need to up-skill an industry stuck on legacy technology; powered by non-specialised PMS or GDS tools that are unable to track conversion. That's why we built an intelligent system."

However Reeves admits the Industry is being forced to learn. "We think too much about occupancy and not enough about profitability. Channel shift and taking business back from OTAs is becoming more important. The direct channel should be the biggest channel of revenue for any serviced apartment or hotel."

So what can serviced apartment operators learn from hoteliers, and vice versa? Aside from the elements of personalisation and developing loyalty through long-lasting relationships, revenue management is an area not yet embedded in serviced apartment culture. Revenue management systems are commonplace in hotels, but not in serviced apartments.

Consequently, hotels have traditionally benefited from solutions tailored to their needs, whereas serviced apartments have had to retrofit their requirements. There are other areas in which serviced apartments can learn from hotels. Frank Reeves picks out the following.

1. **Book direct** – every operator should have three clear reasons why the consumer should book direct. The OTAs are not always cheaper
2. **Serviced apartments** have traditionally been focussed on corporate business first and have therefore not fully understood how to attract the growing leisure traveller segment
3. **The major serviced apartment brands** should take note of how the big hotel groups are driving direct business through TV and online advertising

Social media in travel

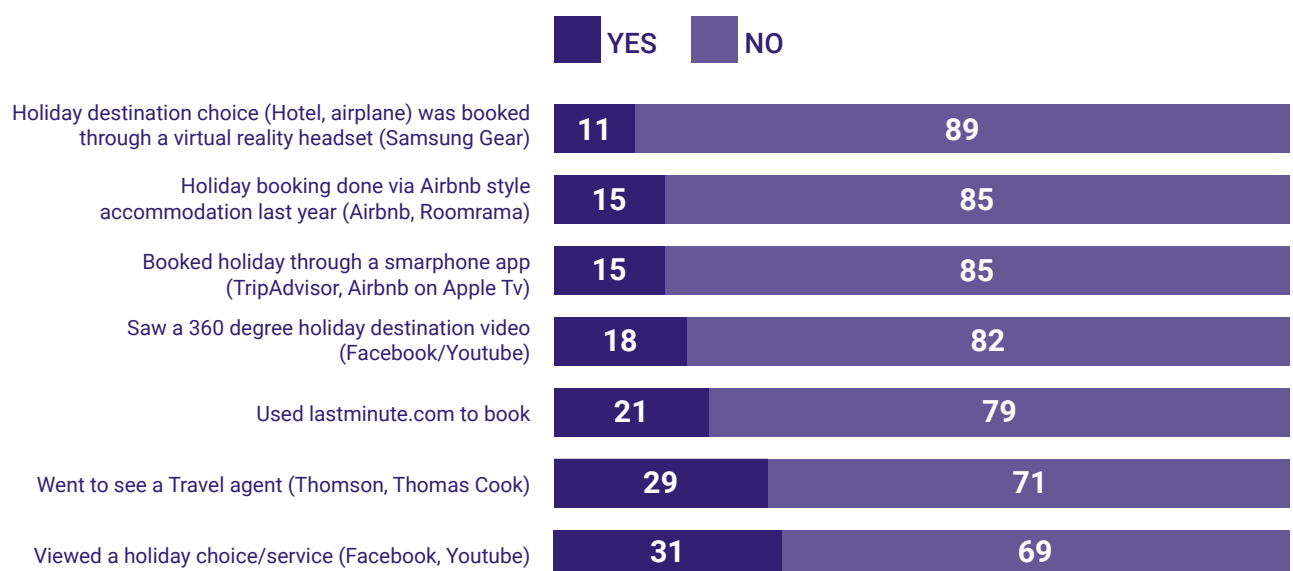
Of the world's population, 2.43 billion are now active social media users of whom 2.12 billion access social media through mobile. It is estimated that, by 2017, social media ad spend will account for 16% of all digital advertising.

According to We Are Social's 2016 Global Digital Snapshot, there are eight stages of the travel cycle which serviced apartment brands can exploit through effective engagement.

1. Dreaming – the passive state in which inspiration comes to the consumer via social media.
2. Triggering – whilst highly subjective, deals and special offers are amongst the most effective.
3. Researching – Instagram can be a good place to start with inspiring photographs.
4. Planning – consumers rely more on user comments than brand ones
5. Booking – booking options are rarely users' top priority in social
6. Day planning – out-reaches real-time social
7. Enjoying – help capture it for them
8. Remembering – reminders and greetings

2016 research by Mintel indicates that 31% of leisure travellers now search and book their accommodation through social media.

Fig. 3 Holiday Planning And Booking Behaviour - April 2016



Source: (Mintel 2016)

The ever-tightening grip that social media has on marketers is evidenced by a 2016 Marketing Week survey which found that social media is the channel of choice for driving brand engagement.

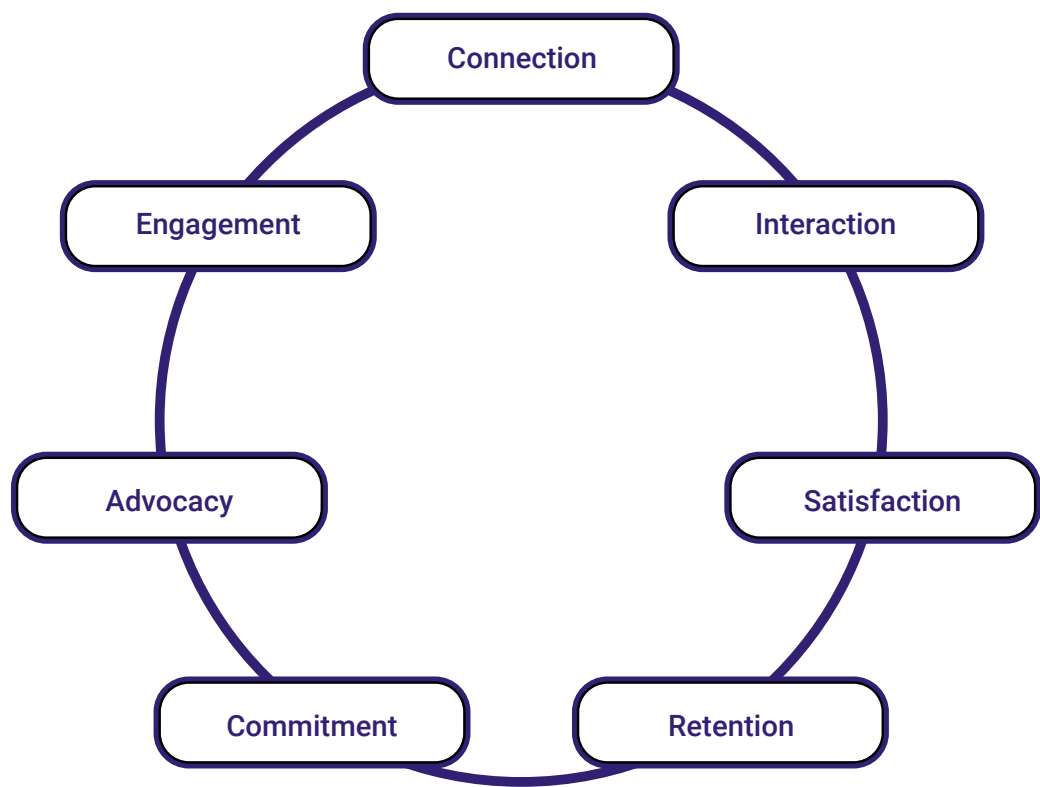
56.1% of respondents ranked social media above TV (22.1%) and e-mail (7.2%) for engagement, classing a favourable brand mention on social media as an indication of engagement.

Interaction through social media can help an organisation to understand its customers’ needs and preferences. For example, in 2016 Apple Apartments won an award for using Facebook rather than emails to interact and engage with customers.

Social media networks also make it easier for advertisers to measure the impact of their campaigns, even in a world where an ad is seen on one device and booked through another. Likes, clicks, shares, follows and views all provide instant metrics.

Above all, social media provides the link between customer engagement and brand loyalty as part of the Customer Engagement Cycle. In 2015 Marriott gave their customers at 18 of the Latam and Caribbean locations GoPro cameras to take videos and pictures of their experiences. At the end of the customers stay with the hotel, those pictures and videos were shared on social media sites. This initiative was successfully aimed at lifting customer engagement and building brand loyalty.

Fig. 4 Customer Engagement Cycle



Emerging platforms

2016 was the year when new social networks such as Snapchat and Instagram became major players; when live-streaming apps such as Periscope and Meerkat emerged and when new video content formats were launched by Facebook and Twitter.

Collectively, travel marketers now have more tools than ever at their fingertips with which to engage business and leisure consumers.

Although Instagram has been around for some years, the introduction of an advertising platform is now attracting the interest of travel brands including Emirates and Four Seasons. Periscope is a live streaming app through which accommodation and other travel suppliers can engage with consumers via creative content.

In 2015 Skyscanner ran a 24-hour broadcast with 19 travel bloggers and their own team members, sharing travel tips and local knowledge of their home countries. Over 23,000 viewers watched the broadcast, 1.6m users were reached by the supporting campaign and #24hPeriscope became a trending hashtag after generating 1,200 tweets. A perfect example of cross-platform marketing.

Snapchat is a smartphone app that allows users to send texts, photos and videos which then appear for 10 seconds before disappearing. Snapchat's appeal lies in its immediacy and visual emphasis, playing to the impact of video content and lending itself to the sharing of travel-related experiences. Marriott was amongst the first accommodation brands to join Snapchat in 2015.

Of all the new social channels coming on stream, WhatsApp arguably offers the greatest immediate potential. In February 2016 WhatsApp passed the one billion user mark. 42 billion messages are sent every day through WhatsApp compared to 20 billion via SMS.

WhatsApp has mastered accessibility, engagement, security and simplicity. You don't even need an e-mail account; just a mobile phone number. Intercontinental Hotel Group (IHG) already uses a mobile application based on centralised marketing strategy, which allows guests to book or cancel any reservation made from any brands in the IHG group. The app generated £2.2 million in revenues in just 12 months.

Video & VR

Remarkably, hotel brands have been slow to adopt video as a marketing tool, especially in social media.

By 2020, I.2inc estimates that nearly 80% of all internet traffic will be driven by video. Video content engenders an emotional connection, consumer trust and is easy to consume. Aside from YouTube, where 50% of video views take place on mobile devices, 100m hours of video are viewed on Facebook every day.

Virtual reality (VR) is another digital engagement tool that has been largely ignored by hospitality brands so far. Devices like Oculus Rift and Samsung VR offer the opportunity for consumers to experience hotels and serviced apartments before they book – let alone visit in person. In an experience-based travel economy, this is a real opportunity for sector marketers.

But whilst there may be more channels to choose from, and whilst brands cannot rely on one social channel for success, neither do they need a presence on every social network. That's because brands now rely on consumers telling their stories on social media and because success is now measured on how well those brands can inspire consumers to tell their stories.

Social media & hotel brands

In 2015, hospitality brands grew their social media presence more than any other industry sector. On average, hotel brands saw their Twitter, Facebook, Instagram, Pinterest and LinkedIn followers rise by 53.34%.

However, of the leading hospitality brands, Airbnb and Uber accounted for 70% of that growth, with Airbnb growing their following by 113.3%. Of the social networks, Instagram offers the best level of performance to hospitality brands and other B2C industries alike. The key to any effective social media presence lies not in the number of followers, but in the level of engagement.

The most talked about hotel brands on social media, according to Skift, are Hilton, Waldorf-Astoria and Ritz-Carlton, although other (mainly up-scale) brands feature in research findings from Engagement Labs into US hotel chains' social presence.

Fig. 5 US hotel chains by social media engagement

Ranking	Facebook	Twitter	Instagram
1	Waldorf Astoria	The Ritz-Carlton	Hilton Hotels
2	Fairmont Hotels	Marriott Hotels	Waldorf Astoria
3	The Ritz-Carlton	Hilton Hotels	The Ritz-Carlton
4	Hilton Hotels	Radisson	Loews Hotels
5	Novotel	Loews Hotels	Four Seasons Hotels
6	Kimpton Hotels	Fairmont Hotels	Renaissance Hotels
7	Best Western	Park Plaza Hotels	Wyndham Hotels
8	Radisson	Sheraton Hotels	Starwood
9	Four Points by Sheraton	Renaissance Hotels	Conrad Hotels
10	Omni Hotels	Mandarin Oriental	Mandarin Oriental

Source: Engagement Labs

ROI vs ROE

Another challenge for hotels in relation to social media lies in how to quantify their Return on Investment. Back in 2012, research by Adobe suggested that 88% of hotels did not know how to measure the value of social media.

Thankfully, things have moved on with the focus shifting from Return on Investment (ROI) to Return on Engagement (ROE). ROE is a product of the digital market and is defined as *"the overall brand strength gained from a particular brand action, strategy, or product."*

Some major hotel brands have devised their own analytical tools. Arguably the biggest is Marriott International's M Live London, which analyses social media trends to match content from Marriott's 19 brands to the most suitable social channel. Data is presented on screens across the walls of the M Live London lab to enable team members to track content pushed out in real-time.

M Live gives Marriott the means to assess whether there is an increase in traffic after publishing a post, whether a particular call to action generates bookings, and if so in which area, region or property.

Generally there are five recognised ways in which to measure ROE.

1. Time spent on page, video, or ad. The more time a consumer spends interacting with a brand, the more positive they will feel towards that brand. Investment in good content usually generates greater time spent with the inherent brand messaging.
2. Conversion of likes into loyalty through loyalty scheme memberships. Increasing engagement is likely to turn brand fans into loyalists, unlike conventional advertising content.

3. Number of downloads is a powerful indicator.
4. Shares. When a user shares your content on social media, you are nurturing a brand advocate.
By starting from the goal of getting people to share and working back, you will avoid creating ineffective content.
5. Positive reviews and feedback. Complaints are a fact of life, but a rise in positive comments is a means of showing that a brand is building a face and personality. This leads to ROE based on conversation.

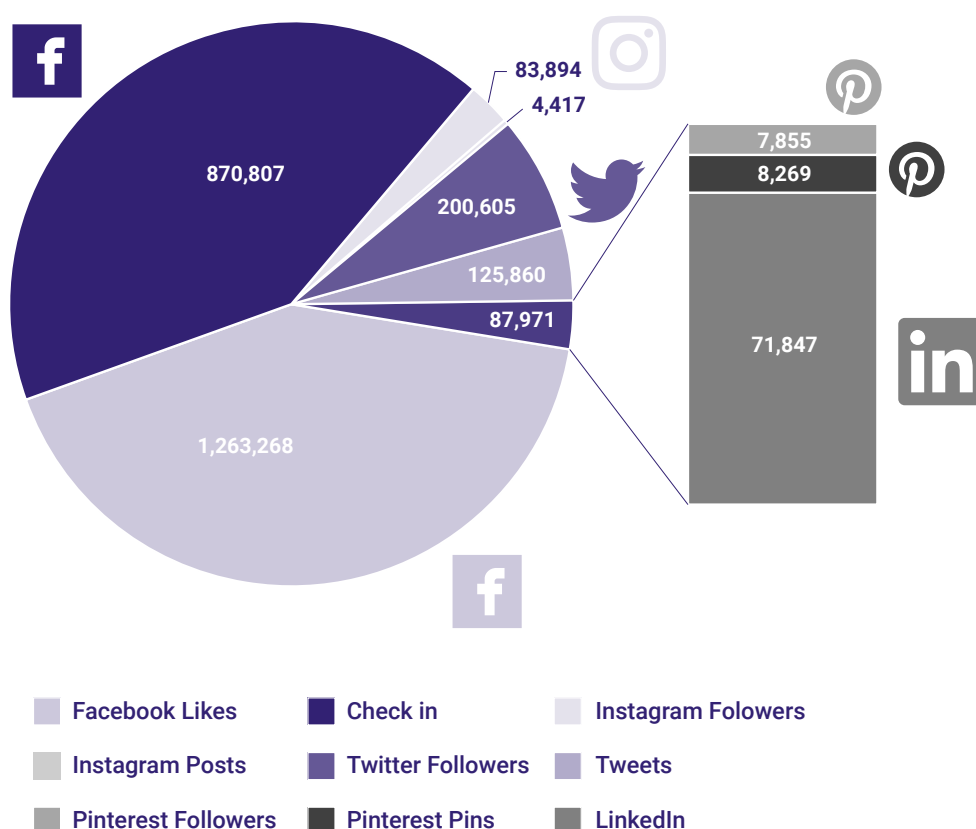
Social media & serviced apartments

In the first edition of the Serviced Apartment Digital Benchmark we looked purely at the size of social media audiences enjoyed by the brands we surveyed.

In this edition we take a more detailed look at how serviced apartments are using social media, why and with what results. We surveyed 52 brands and found the following as at 1st September 2016.

- A combined audience of 2.6m across the surveyed brands
- A massive difference between the four serviced apartment brands with over 100,000 social media followers
- At 1,117,514, Residence Inn is the brand with the biggest reach, followed by Jumeirah Living (360,282), Staybridge Suites (154,156), Candlewood Suites (112,299) and The Ascott (108,125)

Fig. 6 Serviced apartments' social media reach



Source: Travel Intelligence Network

We also interviewed leading marketers at 10 different serviced apartment brands, the vast majority (75%) of whom use social media as a marketing tool for brand awareness purposes or, as one says, “...to reach more people and thereby increase our rankings on Google. Once they are on our websites we aim to convert and then engage with them.”

All of those interviewed used Facebook and Twitter, with 75% also using LinkedIn and Instagram. As one Digital Marketing Manager explained, “our customers are primarily B2B, so platforms such as LinkedIn assist in engagement. Other social media networks provide a mechanism for positioning the brand and promoting their products and services. Moreover, it allows customers to share their experiences through pictures. The brand is also able to share relevant information with customers.”

Fig. 7 Why Social Media

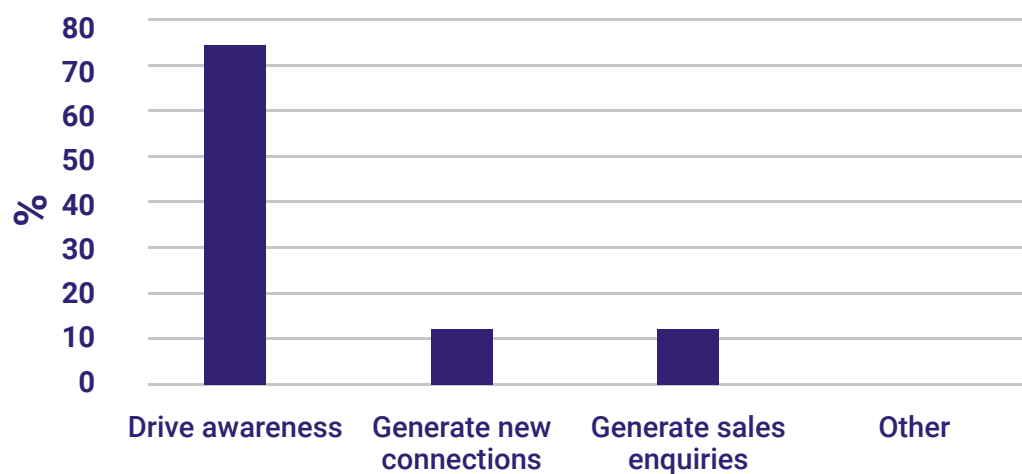
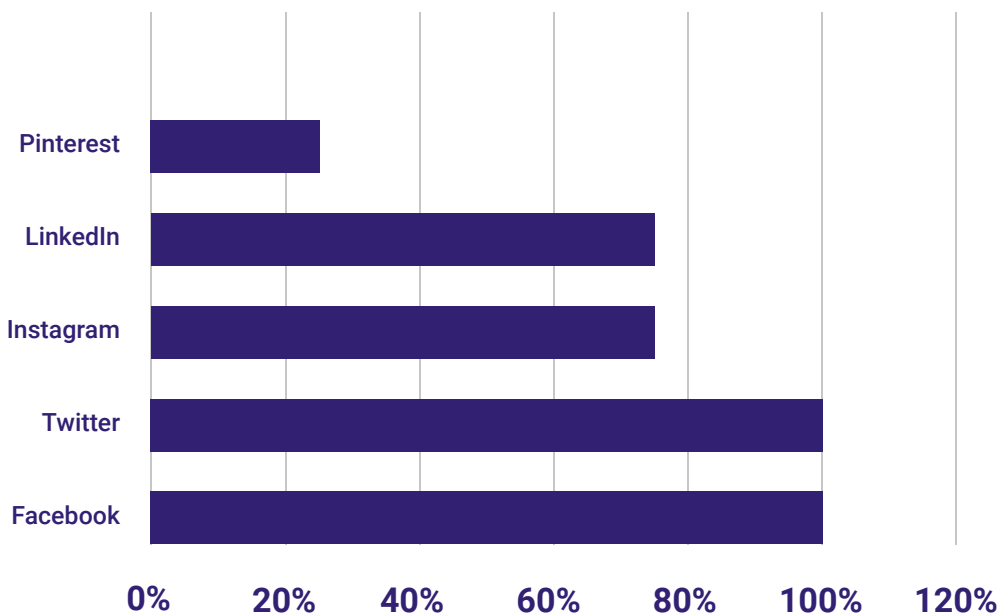


Fig. 8 Social media networks used



Source: Travel Intelligence Network

Central or local perspectives?

In the first edition of this report we highlighted the number of serviced apartment brands taking different approaches to their social media activity, most preferring to adopt a location specific rather than centrally-branded strategy.

A year later, the positions have been reversed, with 87% taking a centralised approach to maintain consistency of messaging across all properties. Although some operators retain a location-specific approach, each of those interviewed does so alongside a central branded presence to give the best of both worlds.

Each approach has its own benefits, as one Director of Sales & Marketing explains *“The brand social media networks are used for posting pictures that attract potential new customers and allowing customers to check in. They also help in communicating and sharing information with customers.”*

“A central presence is easy and effective to manage” reports another. This may explain why all of those interviewed either deploy a dedicated digital marketing team or manager, or outsource social media management to an external agency. That social media management is regarded as an area of specialist expertise is evidenced by none of the brands interviewed entrusting the role to the in-post marketing manager.

In terms of priorities from social media activity, half of our interviewees said their primary objective was to generate bookings through brand websites. This was second priority for a further 37.5% of respondents. At the same time, half of interviewees’ primary objective was to generate direct bookings through social media; something of a contrast to the 75% who cited brand awareness as the main outcome from social media.

As we have already seen, many hospitality brands now measure social media as Return on Engagement (ROE) rather than Return on Investment (ROI). 25% of our interviewees track social media on a monthly basis; a further 25% do so weekly. However that tracking is restricted to clicks and transactions using Google Analytics; none tracked the volume of enquiries or the rate of conversion from enquiry to bookings received via social media.

Fig. 9 Social media priorities

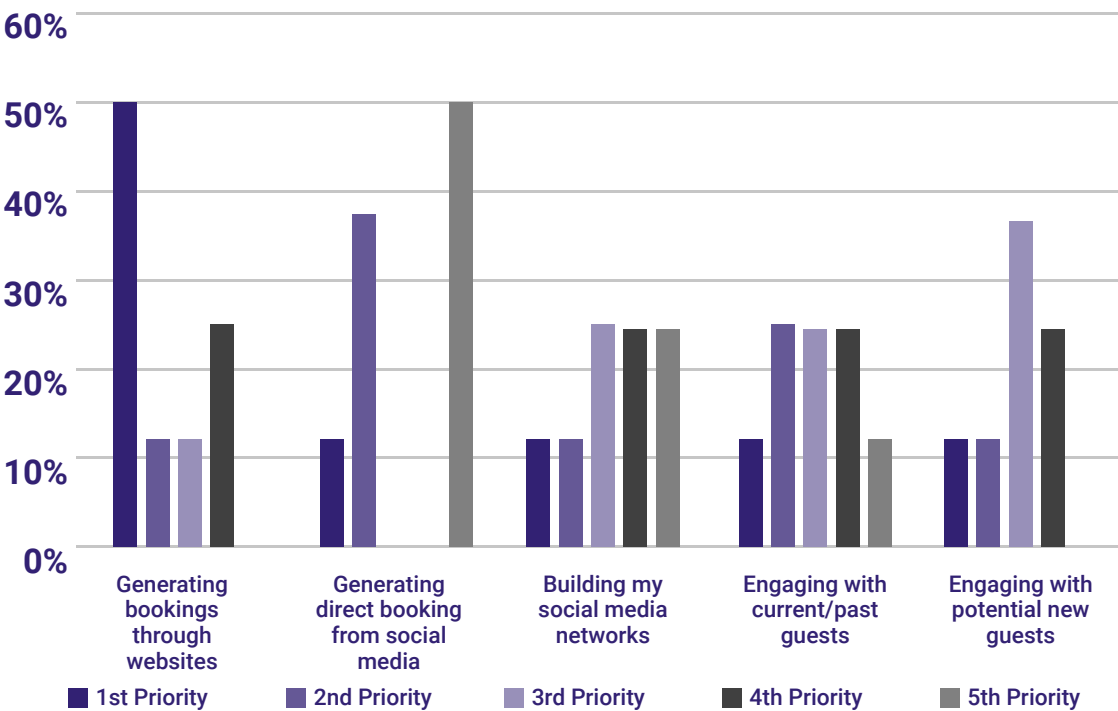
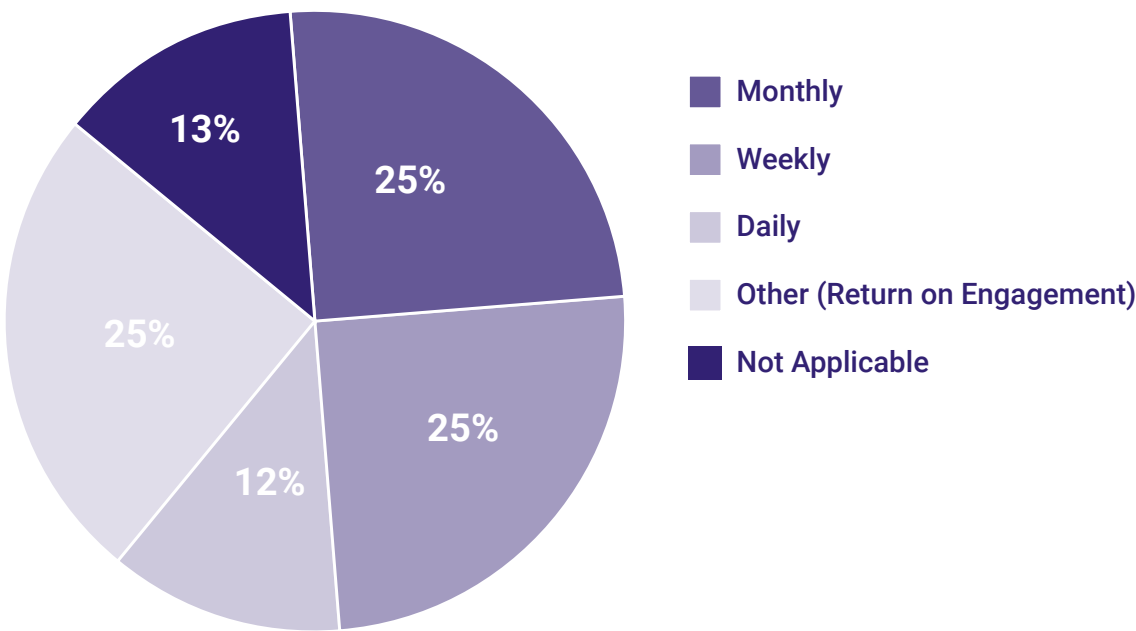


Fig. 10 Measuring Return on Investment



Source: Travel Intelligence Network

Avvio’s Frank Reeves believes that cost of acquisition is again driving social media adoption amongst serviced apartment operators, although he questions whether the main social networks can truly be regarded as booking channels.

“TripAdvisor is connected to Facebook, so if a hotel is connected to Facebook it will have more visibility via TripAdvisor. Social media is an engagement channel – especially Facebook – and is part of the discovery process. The same applies to Twitter and the other networks. It’s all about the conversation and connecting to brands.”

Of the tools available to help operators leverage social media effectively, Reeves cites Flip.20, which openly turns the direct channel into a social media hub, enabling operators to share content and create active engagement across social media platforms including Instagram and Pinterest.

Social media & review scores

And what of the impact of social media on review scores? RJ Friedlander is the founder of online reputation specialists ReviewPro. He agrees with Avvio’s Reeves that social media is not, in itself, a digital distribution channel.

“Social media was originally discussed as a distribution channel. It didn’t pay off so hospitality markets realised these channels are more powerful for engagement and interaction, almost as an extension of their customer service departments.”

“There was always a desire to use social media as a booking channel because hotels are always looking for cheaper means of distribution, but if bookings via social media are increasing, it’s more of a secondary effect.”

“More social media engagement means more reviews and more opportunities for interaction and communication. Brands who engage with social media are generating content that creates a dynamic aura and interaction through reviews and bookings” says Friedlander.

How to make the most from social media...

1. Understand your audience; effective social media marketing is about how effectively you engage.
2. Plan properly and up-date frequently – content must be interesting, relevant and different.
3. Setting corporate/brand social media policies and controls.
4. Relevance of content is vital; use different content for different purposes/audiences, such as special offers, up-coming local events and travel tips specific to your destination(s).
5. Encourage user generated content, especially reviews. 88% of consumers are influenced by good, bad and no reviews.
6. Multiple platforms and devices – travel planning doesn't just happen on one social network or one device.
7. #Hashtags are keywords that enable users to find posts that interest them amongst the thousands of posts on every social network. Use hashtags to engage with people who don't know your brand but who are interested in related topics.
8. Engage with blogger communities and encourage them to tell your stories.
9. Embrace the concept of local through information, news and offers for bars and restaurants.
10. Do fewer networks better. If your resources are limited, concentrate on the social networks where you have the greatest traction to drive more visitors.
11. Audit your Return on Engagement by researching the available posting tools and select the one that works best for you and your brand.

Fig. 11 Serviced apartment brands by social media audience

BRAND	FACEBOOK		INSTAGRAM		TWITTER		PINTEREST		LINKEDIN
	Likes	Check in	Followers	Posts	Followers	Tweets	Followers	Pins	
Adagio Aparthotels	23,119	71,184	389	38	834	607	-	-	3,159
Adina Apartments	7,890	-	608	266	271	300	-	-	1,092
AKA	4,039	94	1,270	373	3,262	3,379	138	498	2,000
Apple Apartments	4,489	2,004	689	1,888	3,274	919	54	214	205
Ascott The Residence	48,450	-	13,300	797	4,938	11,100	145	173	29,222
ATA Hotels	5,135	44,368	23	-	394	487	23	92	3,793
BridgeStreet Global Hospitality	1,056	56	184	27	2,763	4,700	8	176	3,500
Candlewood Suites	98,130	240	161	1	11,600	2,329	19	31	3,139
Capri	4,978	16,855	684	104	294	539	-	-	669
Cheval Residences	16,138	624	2,138	1,116	5,804	6,824	-	-	804
Citadines	26,035	-	798	202	3,434	2,241	1	1	-
Citybase	51,199	-	-	-	2,080	4,965	148	824	569
Crossland	530	1,506	-	-	-	-	-	-	-
Derag Livinghotels	1,609	312	164	82	614	450	40	90	197
Extended Stay America	42,496	-	-	-	7,390	4,412	89	141	7,525
Flying Butler	206	17	-	-	2,036	487	303	22	165
Fraser Suites	24,042	145	719	116	2,300	3,271	-	-	-
Go Native	3,451	746	656	400	1,834	3,815	59	384	1,267
Halidis	14,749	43	-	-	1,097	2,328	-	-	-
Homewood by Hilton	72,523	-	739	-	11,400	13,600	348	501	1,500

Fig. 11 Serviced apartment brands by social media audience - Continued

House of Fisher	931	91	3	-	565	2,619	37	477	206
Jumeirah Living	216,026	-	59,500	595	72,200	5,061	2,800	4,100	187,355
Marlin Apartments	1,547	725	633	133	1,494	981	-	-	980
Marriott Executive Apartments	LOCATION-SPECIFIC PAGES		175,000	1,297	1,132	229	-	-	1,408
Mercure Apartments	487,472	2,168,293	2,332	63	1,718	1,290	20	40	575
Modena Residence	24,049	145	-	-	2,299	3,271	-	-	-
Nomad	1,639	825	150	129	125	163	-	-	1,008
Oakwood Worldwide	6,420	-	5	1	1,432	626	-	-	8,562
Park & Suites	NO GENERAL ACCOUNT, ALL ACTIVITY IS LOCATION-SPECIFIC								
Protea Hotels	24,025	534,835	2,807	274	15,600	6,530	184	497	9,623
Quest Serviced Apartments	52,915	2,358	-	-	-	-	-	-	2,626
Residence Inn	382,601	707,084	2,772	506	18,500	6,051	116	976	3,996
ResidHome + Sejours et Affaires	1,133	3,109	-	-	-	-	-	-	-
ResidHotel	1,966	-	15	-	123	299	-	-	120
Roomzzz	23,519	2,295	456	48	3,243	3,140	40	195	471
Saco	2,310	44	217	89	2,995	7,869	51	8	1,404
Silverdoor	984	173	205	232	2,471	8,940	290	2,100	1,411
Skyline Worldwide	601	15	143	130	611	913	-	-	572
Smart City	6,469	-	3,174	352	4,457	2,791	3,800	514	1,814
Somerset	27,589	-	62	52	145	20	-	-	4
Staybridge Suites	102,164	17,862	1,898	137	23,200	4,821	750	309	6,109
Staycity	6,138	-	48	19	1,728	1,715	-	-	783
Suite Novotel	NO GENERAL ACCOUNT, ALL ACTIVITY IS LOCATION-SPECIFIC								
The Apartment Service/Roomspace	447	22	77	74	1,306	952	5	5	1,016
The Sebel	NO GENERAL ACCOUNT, ALL ACTIVITY IS LOCATION-SPECIFIC								
Towne Place Suites	22,489	211,138			871	437	128	36	1,127
Vision Apartments	3,545	75	358	87	148	264	12	5	106
Waterwalk	530	320	-	-	1,073	467	-	-	173
Yays	373	-	650	118	157	343	6	84	92
Zoku	5,883	1,144	1,821	134	1,206	614	243	43	1,243
TOTALS	1,854,029	3,788,747	274,848	9,880	224,418	127,159	9,857	12,536	291,590

Please note that the above figures are for a central, branded presence only and do not include figures for location-specific pages, posts or pins.

...And how to make more from different networks

There are literally hundreds of blogs and posts available on-line, all packed with tips and information about best practice in using the various social networks. Not to mention the raft of specialist consultancies able to provide professional advice. Below are just a few of the tips being given to marketers.

Facebook

Facebook is ideal, especially in the dreaming phase of the travel booking process. Top tips here include:-

- Facebook reckons that images are twice as engaging as text, so use good, strong pictures to drive users' thirst for more.
- Never forget that social media is all about getting others to tell your story, so incorporate 3rd party blog posts and user content in your posts – but in 40 characters or less.
- Make your posts stand out by using custom tabs; call to action buttons etc

Twitter

Travel providers recognise that Twitter is a great place to share content and to establish relationships with people who can extend the reach of their brands. Top tips here include:-

- There are thousands of regular conversation taking place on Twitter around where to stay. By joining in you can grow awareness of your brand and product. However too many make the mistake of selling, not helping users in their Tweets.
- Social media is also a customer service tool. Lots of people use Twitter rather than the phone to post a problem and seek a response.
- Use the tools available on Facebook, such as notifications when Twitter followers mention specific locations or brands in their posts.

Instagram

Instagram is all about painting a picture and offers a significantly greater engagement level (55%) than Facebook. Top tips here include:-

- Let your images speak for themselves but be selective. Unlike Facebook, posting a stream of images may be counter-productive. Don't post more than once a day and share only the very best.
- Include trending hashtags in your posting to increase visibility
- Consider sponsored posts with influential people targeted to your audience as a means to build your following quickly.

Pinterest

Pinterest is an ideal platform through which to reach consumers who are planning or researching a trip. Top tips here include:-

- Create a board with lots of strong content and then invite others to contribute, such as local restaurants, attractions and so on.
- Use places pins to highlight great bars, clubs and restaurants your guests can visit.
- Don't recycle existing imagery for Pinterest. Create new content instead.

LinkedIn

Likened to "a meeting of professionals across a boardroom table", LinkedIn subscribers have grown ten-fold since 2008 to 50 million users in 2016, making it a very powerful platform – especially amongst business users. Top tips here include:-

- The headline is crucial – tell the user what they will learn by reading your post
- Always share the full article, but keep it to 800 words or less; if you don't the user will feel their time has been wasted
- Present solutions to the problems your reader might have

WhatsApp

E-mail works well enough to communicate directly with a guest before, during and post-stay. But with more consumers using multiple platforms and devices, serviced apartment operators must adapt accordingly. Top tips here include:-

- Use your pre-arrival communication to share your WhatsApp contact information with your guests.
- Invite your guests to add your number to their contact list then provide a link to WhatsApp via mobile.
- Incentivise the guest to use WhatsApp to check-in, arrange transport, order amenities, request information during their stays and to re-book for future stays.

Online Reputation Management

Exceeding guest expectations is just as paramount for serviced apartments as it is for luxury hotels. Travellers nowadays are looking for an experience rather than just somewhere to sleep and by providing a memorable stay, properties can boost their ranking on TripAdvisor and other review sites, driving revenue growth.

For the second year running, we have worked with ReviewPro, leading provider of Guest Intelligence solutions for the hospitality industry, to benchmark serviced apartment brands based on their online reputation.

The performance of brands in terms of guest satisfaction was analysed using ReviewPro's industry-standard Global Review Index™ (GRI), an online reputation score used across the hospitality industry as a benchmark for reputation management efforts.

Based on reviews collected from 175 online travel agencies (OTAs) and review sites in more than 45 languages, the GRI™ is used to benchmark an individual property or group of properties, compare results across a group or against competitors and track the evolution over time. ReviewPro clients also use the GRI™ to set quality objectives as well as optimize online pricing and distribution strategies.

There are over 175 different OTAs and review sites on the internet. Booking.com was the first OTA to use reviews as part of their content and as a magnet for conversion to sales. As the volume of online reviews continues to grow, so too does their importance in the selection process across all consumer demographics.

In 2012 ReviewPro collaborated with Cornell University to study the impact of online reviews on occupancy and RevPAR. The result remains the university's most downloaded study.

More recent studies have found a correlation between reputation and stock price. This is important because it quantifies the direct impact on a business's value based on its ability to exceed expectations.

So is online reputation now the most powerful tool by which consumers can benchmark hotels and serviced apartments?

RJ Friedlander is the founder & CEO of ReviewPro. He rejects the notion that online reputation scores have replaced star ratings as the key customer decision-making metric but believes that online reputation scores have also changed the impact of the star rating system.

"Star rating used to be the only way to provide the customer with any assurance of what they would find in the hotel. It was a barometer for establishing expectations, but now the star rating system is as much a checklist of hotel characteristics. As you go up the luxury scale, customers

want to know more about the guest experience. Star ratings provide a level of insight that online reviews build upon, however reviews are a more likely driver of the selection/buying decision."

Although star rating also provides an approximate pricing guideline, Friedlander contends that review sites enable the consumer to drill deeper into the properties under consideration within a given category. *"There's a lot of blurred edges between different stars, and even a five star hotel will be empty if the ratings are poor."*

So how are serviced apartment operators using the information they receive from ReviewPro in their sales & marketing strategies? Friedlander agrees that non-traditional hotels, serviced apartments and Airbnb have changed the digital travel landscape.

"They were early adopters of online reviews. They use guest analytics to deliver better experiences; improving operational and service excellence. However we need to differentiate between long and short stays when looking at reviews."

"Long stay used to be equated with the predominating property mindset of operators, instead of the hospitality mindset prevalent amongst hoteliers. That is perhaps why serviced apartment operators have often struggled to get feedback from long-stay guests, so reviews tend to be more focussed on short stays, where consumers are making decisions in which reviews are an important influence."

Friedlander cites Staycity as a great example of a serviced apartment brand in which online reputation plays a big part in day-to-day operations. *"Online reviews have changed the expectations of Staycity's staff. They now take a similar approach to the great hoteliers in terms of delivering the best possible guest experience."*

Looking to the future, the ReviewPro founder says guest feedback needs to be integrated with CRM systems and customer profiles and back office systems and leveraged as the voice of the client.

"It used to be about benchmarking. Now it is more about how you use the data to improve the experience whilst the guest is on-property and thereby to improve rankings. We need to make the link between guest satisfaction and real-time operational decision making much stronger. Over the next five years, the focus will be about dealing with feedback during the stay."

"Our industry has to continue to move towards making customers feel there is someone who really cares that your stay is as good as it can be. It's about moving from a property to hospitality experience – especially in long-stay products. On departure I want to feel I just left a friend's house."



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Research methodology

ReviewPro aggregated 484,945 online guest reviews published during the 12-month period from 1 July 2015 to 30 June 2016. The study included 45 of the serviced apartment brands covered in this report. The following areas were analysed:

- **Global Review Index™ (GRI) by brand**
- **Guest satisfaction performance based on other key Indexes: Service, Value, Location, Cleanliness and Room**
- **Review volume by language, country and review source**
- **Average review statistics per property**

Key

We have also included 2015's rankings and scores (for brands that were included in last year's study) by way of comparison.

Best performing brands overall

Cheval Residences, the prestigious brand offering a home away from home experience in the most up-market areas of London, continues to lead guest satisfaction for serviced apartment brands achieving an impressive GRI™ of 93.3% across their 6 properties, up by 1% year-on-year.

AKA follows closely behind with a GRI™ of 92.8% and Roomzzz takes third position, with a GRI™ of 91.4%.

Consistent with findings of online reputation studies for other segments, the brands achieving the highest GRI™ tend to have fewer properties. In many cases, it is more difficult for larger brands to achieve a consistently high level of guest satisfaction across all properties.

Compared to 2015's figures, the GRI™ scores of the serviced apartment brands in this year's Top 10 are higher, ranging from 93.3% to 88.5% versus 92.3% to 84.1% last year. The new entrants into our Top 10 are AKA, Roomzzz, SACO, Derag Livinghotels and Fraser Place. AKA goes straight into second place with a very strong performance across all individual criteria, and in particular room quality.

Fig. 12 Top 10 performing brands overall

Ranking	Brand	GRI™	2015 rank & score
1	Cheval Residences	93.3%	#1 (92.3%)
2	AKA	92.8%	N/A
3	Roomzzz	91.4%	N/A
4	Fraser Residence	89.8%	#4 (88.5%)
5	Derag Livinghotels	89.4%	#13 (83.7%)
6	Modena Residence	89.3%	#2 (89.9%)
7	SACO	89.1%	N/A
8	The Sebel	88.8%	#9 (84.3%)
9	Fraser Place	88.6%	N/A
10	Homewood by Hilton	88.5%	#5 (87.3%)

Best performing brands by individual criteria

Besides overall guest satisfaction scores (GRI™), ReviewPro also evaluated guest satisfaction performance for other key indexes: Service, Value, Location, Cleanliness and Rooms. As the table below shows, guests who stay in serviced apartments are most satisfied with Location and least satisfied in terms of perceived Value.

Fig. 13 Average scores by individual criteria

Criteria	GRI™
Global Review Index™	83.4%
Location	87.4%
Cleanliness	87.2%
Room	84.4%
Service	83.8%
Value	81.7%

Although there are exceptions, the best performing brands in each area are often those that rank highest for overall guest satisfaction. For example, Cheval Residences has the highest overall GRI™ and consistently scores very highly across all categories ranking first for Location, second for Service and Cleanliness and third for Room. Value is the only category where Cheval Residences does not appear in the top three, which is perhaps not surprising for such a luxury brand.

Best performing brands by Service

The following table shows the brands that are achieving the highest level of guest satisfaction in terms of Service. Cheval Residences comes out on top with a score of 95.4% followed closely by Jumeirah Living (93.5%) and AKA (93.3%).

Once again, comparison with 2015 figures shows higher scores across the Top 10 brands with the range increasing from 93.3% - 85.8% to 95.4% - 89.2%. The top two brands improved their service scores by 2.1% and 2.2% respectively.

Fig. 14 Top 10 performing brands by Service

Ranking	Brand	Service	2015 rank & score
1	Cheval Residences	95.4%	#1 (93.3%)
2	Jumeirah Living	93.5%	#2 (91.3%)
3	AKA	93.3%	N/A
4	SACO	91.3%	N/A
5	Homewood by Hilton	91.0%	#3 (89.9%)
6	Fraser Place	90.9%	N/A
7	Modena Residence	90.9%	#4 (89.6%)
8	Fraser Residence	90.4%	#7 (87.5%)
9	Marriott Executive Apartments	90.3%	N/A
10	Residence Inn	89.2%	#5 (88.4%)

Best performing brands by Value

Consistent with trends in other hospitality segments, it proves difficult for serviced apartment brands to achieve as high levels of guest satisfaction in terms of perceived value compared to the other categories. Only three brands achieve a score above 90%: SACO (91.0%), Fraser Place (90.9%) and Roomzzz (90.2%).

Five of the 2016 Top 10 brands in this criteria are new entries. Interestingly, 2015's top two brands for Value dropped both in terms of ranking and scores, no doubt reflecting the up-scale nature of the properties within the Cheval Residences and Fraser Residence brands.

Fig. 15 Top 10 performing brands by Value

Ranking	Brand	Value	2015 rank & score
1	SACO	91.0%	N/A
2	Fraser Place	90.9%	N/A
3	Roomzzz	90.2%	N/A
4	Homewood by Hilton	88.2%	#3 (87.2%)
5	Apple Apartments	87.9%	#13 (81.1%)
6	Candlewood Suites	87.5%	N/A
7	Cheval Residences	87.4%	#2 (88.3%)
8	Fraser Residence	87.2%	#1 (92.2%)
9	Jumeirah Living	87.1%	#7 (83.7%)
10	Marriott Executive Apartments	86.8%	N/A

Best performing brands by Location

Location is an area where serviced apartment brands perform well, with all of the brands in the Top 10 scoring above 92% (see table below). For the second year running, Cheval Residences achieves the highest level of guest satisfaction with Location, scoring an impressive 97.7% and improving upon their 2015 score by 2.1%.

Two new entrants complete the top three, Roomzzz earning their place with a score of 96.2%, followed by BridgeStreet with 96.0%, making Location the category where that brand ranks highest.

Once again, the new entrants have performed well against their peers and competitors, scoring higher than eight of 2015's Top 10 brands, meaning they no longer feature in the 2016 Top 10 rankings.

Fig. 16 Top 10 performing brands by Location

Ranking	Brand	Location	2015 rank & score
1	Cheval Residences	97.7%	#1 (95.6%)
2	Roomzzz	96.2%	N/A
3	BridgeStreet	96.0%	N/A
4	AKA	95.7%	N/A
5	SACO	95.3%	N/A
6	The Sebel	94.5%	#3 (92.2%)
7	Apple Apartments	94.2%	#15 (83.9%)
8	Adina Apartments	93.8%	N/A
10	Derag Livinghotels	92.7%	#12 (85.9%)

Best performing brands by Cleanliness

Cleanliness is another area in which serviced apartment brands excel, with all of the brands in the Top 5 achieving scores of above 95%. Jumeirah Living topped the ranking with a score of 95.6%, an improvement from 94.2% the previous year. They were followed closely by Cheval Residences, who also improved from 94.8% to 95.5%. Newcomers SACO took third place with an impressive 95.4% score for Cleanliness.

The other big winners this year are Frasers, with three of their brands occupying three consecutive places in the Top 10.

Fig. 17 Top 10 performing brands by Cleanliness

Ranking	Brand	Cleanliness	2015 rank & score
1	Jumeirah Living	95.6%	#2 (94.2%)
2	Cheval Residences	95.5%	#1 (94.8%)
3	SACO	95.4%	N/A
4	Fraser Place	95.3%	N/A
5	Fraser Suites	95.0%	N/A
6	Fraser Residence	93.7%	#3 (93.6%)
7	Roomzzz	93.7%	N/A
8	Marriott Executive Apartments	92.6%	N/A
9	Ascott The Residence	91.9%	#6 (91.1%)
10	Homewood by Hilton	91.8%	#7 (90.5%)

Best performing brands by Room

There was a certain amount of overlap across the best performing brands in terms of Cleanliness and Rooms, with 8 brands appearing in both Top 10 rankings. This suggests that the level of guest satisfaction with Rooms is in some way influenced by how clean they are.

AKA clearly differentiates itself from other brands in terms of Rooms, taking first place with an incredibly high score of 97.6%. Guests are also impressed with the Rooms at Jumeriah Living and Cheval Residences, who score 94.4% and 94.0% respectively.

The average scores of the Top 10 brands in the Room criteria have again improved since 2015, ranging from 97.6% - 90% compared to 93.3% - 85.3% in 2015. Three of last year's top four brands occupy a similar position this year, but they were all overtaken by AKA who clearly excel in terms of Rooms.

Fig. 18 Top 10 performing brands by Room

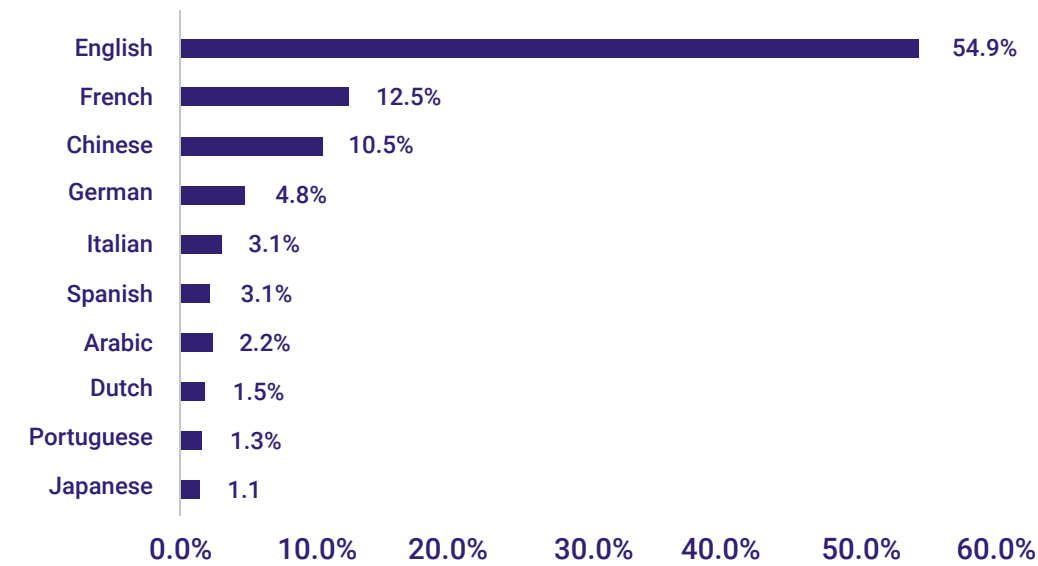
Ranking	Brand	Room	2015 rank & score
1	AKA	97.6%	N/A
2	Jumeirah Living	94.4%	#3 (92.2%)
3	Cheval Residences	94.0%	#1 (93.3%)
4	Fraser Residence	93.5%	#2 (92.4%)
5	Fraser Place	92.8%	N/A
6	Roomzzz	92.6%	N/A
7	Homewood by Hilton	91.3%	#4 (90.0%)
8	SACO	91.0%	N/A
9	Marriott Executive Apartments	90.3%	N/A
10	Staybridge Suites	90.0%	N/A

Review volume by language

The following chart shows the most common languages used to write reviews for the service apartment brands included in this study.

Consistent with review statistics for other accommodation segments, ReviewPro’s analysis shows that English is the preferred language, accounting for more than half of the reviews written. Accommodation providers worldwide, however, will increasingly need to understand the observations and feelings conveyed in reviews written in a variety of languages - especially Chinese - as their importance continues to grow.

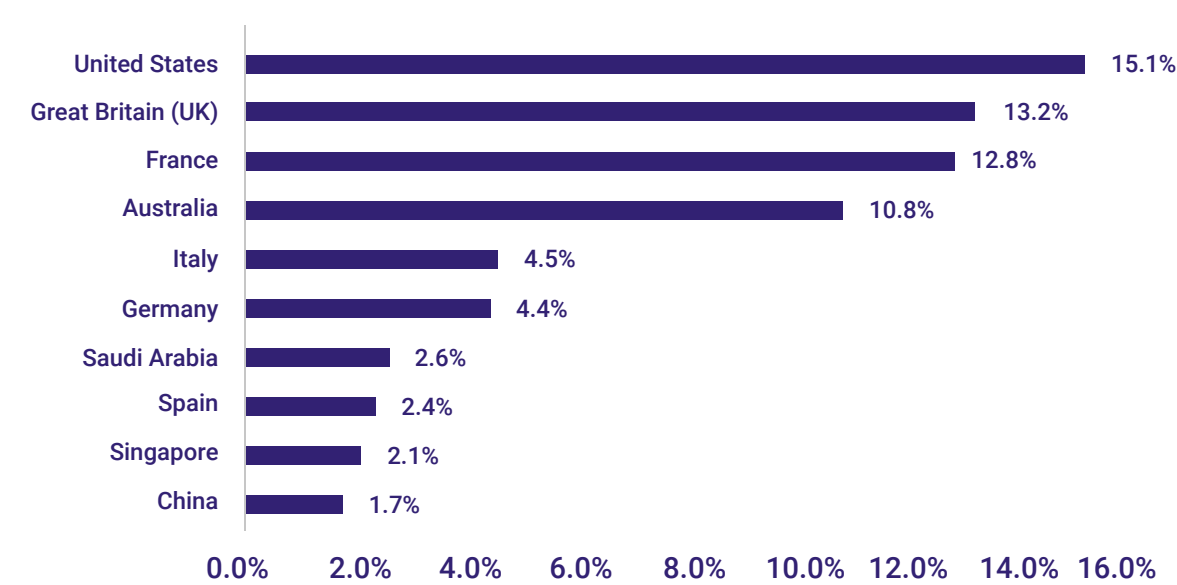
Fig. 19 Top 10 review languages



Review volume by country

Although the study is based on reviews written by guests from around the globe, just 10 countries account for 70% of the total number of reviews. As can be seen in the following chart, the United States ranked highest, followed by the United Kingdom and France.

Fig. 20 Top 10 countries





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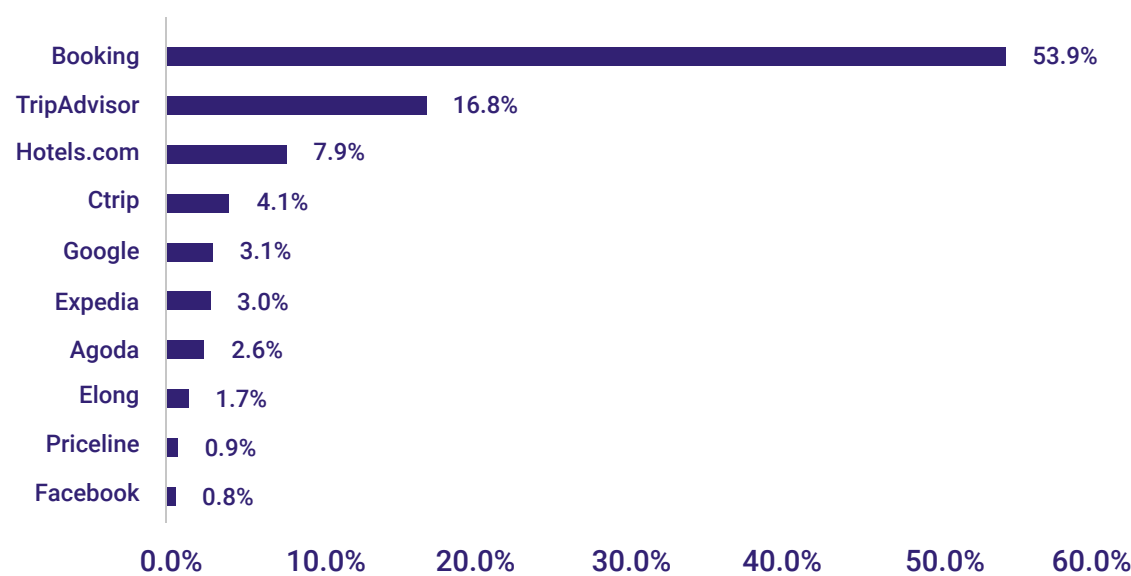


Top 10 review sources

Booking.com is the most common source of online reviews in this study followed by TripAdvisor, whose share is lower than average compared to other accommodation segments. TripAdvisor typically generates an extremely high volume of reviews so there is a clear opportunity for serviced apartment brands to go to TripAdvisor’s Management Center (www.tripadvisor.com/owners) to claim or create a listing for each of their properties and encourage guests to leave reviews.

While more than half of reviews were published on Booking.com, the below chart shows that it is important for serviced apartment brands to manage their reputation on multiple channels in order to maximize revenue. The results also highlight the growing importance of the Chinese travel market, with Ctrip, Elong & Agoda representing almost 10% of reviews.

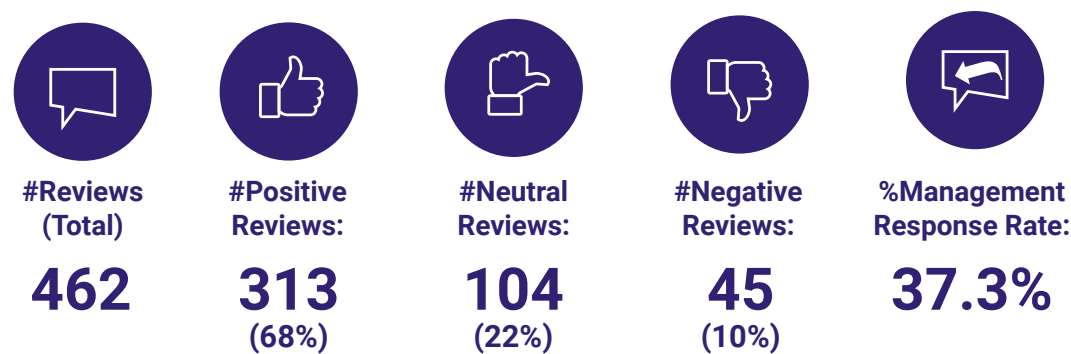
Fig. 21 Top 10 review sources



Average review statistics by property

On average, the serviced apartment properties in the study receive 462 online reviews per year. 68% of reviews are positive, indicating that the majority of guests are happy with their stay. However, 32% of reviews for serviced apartments are either neutral or negative, reinforcing the opportunity that exists for brands to leverage Guest Intelligence to drive operational and service improvements to boost guest satisfaction.

Fig. 22 Average Review Date (Property/Year)



NB Reviews were classified as Positive (score between 80% - 100%), Neutral (score between 60% - 79%) and Negative (score of 59% or less).

Responding to reviews, both positive and negative, shows potential customers that you listen and care about what guests think and can positively impact their booking decision. For the serviced apartment brands in this study, managers respond online to an average of 37.3% of reviews, indicating that there is a relatively high level of engagement with review sites but that there is still room for improvement. It is advisable for accommodation brands to have a clear process in place for responding to online reviews.

Average review indexes

The study explores the different areas that guests rate when leaving an online review. In terms of guest satisfaction with serviced apartments, “Location” comes out on top followed closely by “Cleanliness”. “Room” takes third place ahead of “Service”. As is often the case, “Value” is the concept leaving guests the least satisfied.

Fig. 23 Summary of ReviewPro rankings of brands by criteria

Brand	GRI™	Service	Value	Location	Cleanliness	Room
Adina Apartments	18	16	20	8	24	17
AKA	2	3	17	4	14	1
Apple Apartments	20	35	5	7	12	26
Ascott The Residence	14	19	24	11	9	15
BridgeStreet	17	20	14	3	15	18
Candlewood Suites	27	23	6	29	22	23
Cheval Residences	1	1	7	1	2	3
Derag Livinghotels	5	21	19	10	21	21
Fraser Place	9	6	2	15	4	5
Fraser Residence	4	8	8	16	6	4
Fraser Suites	22	12	25	27	5	19
Homewood by Hilton	10	5	4	14	10	7
Jumeirah Living	13	2	9	13	1	2
Marriott Executive Apartments	11	9	10	17	8	9
Modena Residence	6	7	12	21	19	12
Residence Inn	19	10	23	25	17	16
Roomzzz	3	11	3	2	7	6
SACO	7	4	1	5	3	8
Staybridge Suites	15	13	11	18	11	10
The Sebel	8	14	22	6	20	13

Winners and losers

For the second year running, Cheval Residences emerges as the leading serviced apartment brand, being one of only two brands to rank in the Top 10 in every criteria assessed by ReviewPro. The only other brand to do so is SACO, a new entrant to the rankings in 2016.

21 brands occupy positions within the Top 10 in each of six criteria, of which at least a third are new entrants for 2016. Of those featured in last year's study, a number have improved upon their 2015 rankings including Apple Apartments, Derag and The Sebel, moving from Top 20 positions into the Top 10s.

These findings will be presented in full at the 2017 Serviced Apartment Summit, July 12th – 13th in London.

Report conclusions

1. Online bookings are now the primary sales channel for serviced apartments and hotels. No serviced apartment operator can afford not to have a digital marketing strategy.
2. The OTAs domination of web traffic is being challenged by the large hotel chains; direct bookings should always be the priority.
3. Content is king, especially top quality photography and video, in driving web traffic.
4. Social media is about more than Facebook and Twitter, but avoid spreading your digital presence too thinly
5. Mobile is here but apps have to be as personalised as the guest experience consumers demand
6. Brands are now relying on people to tell their stories for them
7. The volume of followers may be growing but engagement levels need to be improved with interesting and relevant content
8. Social media success is measured by Return on Engagement, not Return on Investment
9. Serviced apartment brands' online reputation scores are improving overall, as well as for specific criteria.
10. Generation Y is already here; operators need to be ready for Generation Z

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ServicedApartmentNews.com is the only online news and information resource exclusively for serviced apartments, extended stay and aparthotels.

We keep our readers up to date with what's happening in the industry worldwide, as well as providing comment and thought-provoking opinion pieces from leaders within the sector.

If you have an engaging news story to tell, we have an unrivalled and growing database of serviced apartment owners, operators, developers, investors, general managers and service providers keen to hear more.

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About Travel Intelligence Network

Travel Intelligence Network helps travel, meetings & hospitality providers to position themselves as thought leaders through unique written, verbal and face-to-face content.

Switched-on brands attract and retain customers by creating relevant content that is valuable to their audience. TIN creates unique content that can be communicated through digital, print and face-to-face mediums. Our output includes blogs, white papers, educational events, client magazines and in-depth sector reports.

Examples of TIN-created content include five editions of the Global Serviced Apartments Industry Report, The Business Travel Magazine's Guide to Serviced Apartments, over 40 white papers and now, for Serviced Apartments News, the Serviced Apartment Benchmark.

TIN has also helped to shape industry events such as The People Awards, The Business Travel Conference, Serviced Apartment Summit and the ASAP Conference

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